

U.S. SENATOR BEN CARDIN



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October 23, 2021

Dear Fellow Marylander,

Did you know that our state is home to the highest [concentration](#) of women-owned businesses in the country? It is a distinction that fills me with great pride and fuels my work as Chair of the Senate Small Business Committee. So I always look forward to October, because it is National Women's Small Business Month, during which we recognize the contributions of women-owned small businesses to our local and national economies

This year, National Women's Small Business Month comes more than 18 months into the COVID-19 pandemic, which has devastated women-owned small businesses. Many are reporting a decline in sales and fear of permanent closure. In 2020, more small businesses closed than any other year on record and, as of May 2021, more than 37% of small businesses have closed, according to [research](#) conducted by Opportunity Insights. Throughout the pandemic, women entrepreneurs have been more likely than male owners to [report](#) a significant decline in the overall health of their business. Historically, women-owned small businesses [lag](#) behind male-owned small companies in three forward-looking measures: investment plans, revenue projections, and staffing expectations.

The COVID-19 pandemic truly has confirmed the key role the federal government has in empowering women entrepreneurs to overcome the pervasive, historic roadblocks that stop them from starting and growing successful businesses. In fact, a recent report issued by the Government Accountability Office (GAO) found that policies enacted by Congress in the bipartisan Economic Aid Act and the American Rescue Plan made distribution of loans under the Paycheck Protection Program (PPP) more equitable this year than during 2020. For example, while women were underfunded during the first round of PPP administered by the Trump administration, the report found that the share of loans made to women in 2021 under the Biden administration — 16 percent — was in line with the percentage of small businesses owned by women, also 16 percent.

This report shows that through thoughtful, targeted efforts, it is possible to bridge the historical gaps that prevent underserved entrepreneurs from starting and growing small businesses.

Now, as Congress continues to debate President Joe Biden's Build Back Better Agenda—a once-in-a-generation investment in our families, communities, and small businesses—it is vital that we build on the lessons learned during the pandemic to continue investing in women entrepreneurs.

That is why I am convening a hearing in the Small Business Committee next week, so the Senate can hear from women entrepreneurs, experts, and advocates about how we can unleash the full potential of women-owned small businesses.

I am especially looking forward to hearing the testimony of Dr. Tammira Lucas, founder of The Cube Cowork in Baltimore and cofounder of Moms as Entrepreneurs. She will shed light on the unique barriers that mothers face on the path to business ownership, as well as the tools and resources Congress can create to support them on their entrepreneurship journey.

The economic recovery that lies ahead will be difficult, but it is also an opportunity. With the right investments, Congress can empower women entrepreneurs so they can be an engine of economic growth for communities in Maryland and nationwide. Already, women-owned businesses employ 9.2 million people—only 8 percent of the total private sector workforce. And they generate \$1.8 trillion in annual revenue—only 4.3 percent of annual private sector revenue. While these numbers seem small on the surface, they tell a remarkable story about the potential for women owned small businesses: from 2007 to 2018, total employment by women-owned businesses [rose](#) 21 percent, while employment for all businesses declined by 0.8 percent.

In other words, women-owned small businesses have been drivers of economic growth in our economy despite the myriad headwinds they face on the path to success. And it's even more evident for minority women. Between 2007 and 2018, businesses owned by minority women grew by more than 163 percent.

Imagine what our women entrepreneurs could do if there were less obstacles in their way, and if they had more support during their entrepreneurship journey?

To ensure a robust recovery, Congress needs to continue to be deliberate in our efforts to support women entrepreneurs. Through thoughtful policy, Congress can make meaningful changes to empower entrepreneurs, especially women. The years ahead pose a challenge, but they are also full of potential. We simply cannot allow this time to go to waste.

If you are interested in watching the hearing next week on Wednesday, October 27 at 2:30 PM (ET) to hear from Dr. Lucas and our other witnesses, it will be livestreamed [here](#).

Sincerely,

A handwritten signature in blue ink that reads "Ben". The letter "B" is large and stylized, with the "en" written in a cursive script.

Ben Cardin